

**MINUTES OF THE REGULAR MEETING**

**OF THE**

**COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY**

**April 17, 2001**

The Commissioners of the Chicago Housing Authority met in regular session on Tuesday, April 17, 2001 at 8:30 a.m. at Senior Housing South, Lincoln Perry Apartments, located at 3245 South Prairie in Chicago.

The meeting was called to order by the Chairperson, and upon roll call, those present and absent were as follows:

Present:	Sharon Gist Gilliam Hallie Amey Michael Darcy Leticia Peralta Davis Rahm Emanuel Earnest Gates Dr. Mildred Harris Sandra Young
Absent:	Mamie Bone Andrew Mooney

Also present were Terry Peterson, Chief Executive Officer; G.A. Finch, General Counsel; Chicago Housing Authority Staff Members and the General Public.

There being a quorum present, the meeting duly convened and business was transacted as follows:

The Chairperson convened the Public Hearing portion of the meeting by inviting residents and the public at large to address the Board.

Immediately following the Public Hearing Session, Terry Peterson, Chief Executive Officer, presented his monthly report. Per Mr. Peterson, due to the myriad of complaints received from tenants regarding maintenance issues, on April 8<sup>th</sup>, in cooperation with the City of Chicago, a group of eight person-teams began "walkdowns" of all the high-rises to identify problems that have not been addressed. According to Mr. Peterson, substandard apartments are immediately brought into compliance or the occupants are given the option of relocating to a "make-ready" unit. To date, "walkdowns" at Stateway, ABLA, Horner and Cabrini have been completed. Mr. Peterson concluded his report by assuring the Commissioners and residents that he would continue to do everything possible to improve the quality of life for the residents of the Chicago Housing Authority.

A motion was then introduced and seconded to adjourn to Executive Session. The Chairperson announced that pursuant to the Open Meetings Act, 5 ILCS 120/2, the Board would adjourn for approximately one (1) hour to discuss pending, probable or imminent litigation, collective negotiating matters, security and personnel matters.

The Commissioners subsequently reconvened in Open Session. The Chairperson thereupon introduced eight (8) items discussed in Executive Session. Commissioner Davis then made an Omnibus Motion for the adoption of Items 1, 2, 3, 4A, 4B, 5, 6 and 7.

**(Item 1)**

**RESOLUTION NO. 2001-CHA-45**

**WHEREAS**, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated April 2, 2001 requesting that the Board of Commissioners approve the Personnel Action Reports for March 2001.

**THEREFORE BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT**, the Board of Commissioners hereby approves the Personnel Actions for March 2001.

**(Item 2)**

**RESOLUTION NO. 2001-CHA-46**

**WHEREAS**, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated April 10, 2001 requesting authorization to amend the CHA Purchasing and Contract Policies Manual.

**THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT**, the Board of Commissioners hereby authorizes that the Purchasing and Contracts Policies Manual be amended to delete Section 6200/2.8.

**(Item 3)**

**RESOLUTION 2001-CHA-47**

**WHEREAS**, the Board of Commissioners has reviewed the Board Letter dated April 2, 2001, entitled "Request for authorization to execute a Second Amendment to the Lease for premises located at 200 West Adams Street, Suite 2100, Chicago, Illinois, and concurs with the recommendation contained therein;

**THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT**, the Board of Commissioners hereby authorizes the Chief Executive Officer or his designee to execute a Second Amendment to the Lease Agreement for 200 West Adams Street, Suite 2100, Chicago, Illinois. The annual rent for the amended two (2) year lease shall be in the amount of approximately \$442,789.26 for the first year and approximately \$470,375.67 for the second year, inclusive of expenses and real estate taxes.

**(Item 4A)**

**RESOLUTION 2001-CHA-48**

**WHEREAS**, the Board of Commissioners has reviewed the Board Letter dated April 17, 2001, requesting authorization to execute and issue a Letter of Intent to negotiate and execute a long term land lease for the development of the Madden/Darrow/Wells Site to the Habitat Company (acting on behalf of and in partnership with CHA), and concurs with the recommendation contained therein;

**THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT**, the Board of Commissioners hereby authorizes the Chief Executive Officer or his designee to execute and issue a Letter of Intent to negotiate and execute a long term land lease for the development of the Madden/Darrow/Wells Site to yet to be formed limited partnership, of which the managing general partner will be an affiliate of either the Habitat Company (acting on behalf of and in partnership with CHA) in exchange for \$1. The Letter of Intent shall be valid through August 31, 2001, with two (2) one-year options, subject to annual Board of Commissioners approval beginning on August 31, 2001.

**THAT,** the Board of Commissioners hereby authorizes the Chief Executive Officer or his designee to take all actions necessary to support the tax credit application of the Habitat Company in accordance with the Master Plan approved by the Steering Committee at Madden/Darrow/Wells.

**THAT,** in the event that the CHA/Habitat and McCormack Baron and Associates reach a mutual understanding on fees prior to COB Friday, April 27, 2001, it is recommended that the attached resolution "Authorization to execute and issue a Letter of Intent and related actions for the development of the Madden Park/Darrow Homes/Wells Phase I be adopted as an alternative resolution and this resolution in support of Habitat Company's land lease and application for tax credits be considered null and void.

**(Item 4B)**

**RESOLUTION 2001-CHA-49**

**WHEREAS,** the Board of Commissioners has reviewed the Board Letter dated April 17, 2001, requesting authorization to execute and issue a Letter of Intent to negotiate and execute a long term land lease for the development of the Madden/Darrow/Wells Site to McCormack Baron and concurs with the recommendation contained therein;

**THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT,** the Board of Commissioners hereby authorizes the Chief Executive Officer or his designee to execute and issue a Letter of Intent to negotiate and execute a long term land lease for the development of the Madden/Darrow/Wells Site to yet to be formed limited partnership, of which the managing general partner will be an affiliate of McCormack Baron and Associates in exchange for \$1. The Letter of Intent shall be valid through August 31, 2001, with two (2) one-year options, subject to annual Board of Commissioners approval beginning on August 31, 2001.

**THAT,** the Board of Commissioners hereby authorizes the Chief Executive Officer or his designee to take all actions necessary to support the tax credit application of McCormack Baron and Associates in accordance with the Master Plan approved by the Steering Committee at Madden/Darrow/Wells.

**(Item 5)**

**RESOLTUION 2001-CHA-50**

**WHEREAS,** the Board of Commissioners has reviewed the Board Letter dated April 11, 2001 requesting authorization to execute and issue a Letter of Intent to negotiate and execute a long term land lease for the development of the Lakefront Site in favor of a yet to be formed limited partnership, of which the managing general partner will be an affiliate of Lakefront Associates, and concurs with the recommendation contained therein;

**THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT,** the Board of Commissioners hereby authorizes the Chief Executive Officer or his designee to execute and issue a Letter of Intent to negotiate and execute a long term land lease for the development of the Lakefront Site in favor of a yet to be formed limited partnership, of which the managing general partner will be an affiliate of Lakefront Associates, in exchange for \$1. The Letter of Intent shall be valid through August 31, 2001, with two (2) one-year options, subject to annual Board of Commissioners approval beginning on August 31, 2001.

**THAT,** the Board of Commissioners hereby authorizes the Chief Executive Officer or his designee to take all actions necessary to support the tax credit application of the Lakefront Associates in accordance with the Master Plan approved by the Steering Committee for the Lakefront Site.

**(Item 6)**

**RESOLUTION 2001-CHA-51**

**WHEREAS**, the Board of Commissioners has reviewed the Board Letter dated April 12, 2001, requesting authorization to execute and issue a Letter of Intent to negotiate and execute a long term land lease for the development of the Drexel Site in favor of a yet to be formed limited partnership, of which the managing general partner will be an affiliate of the *Thrush Drexel Development Team* for redevelopment of the Drexel Site, and concurs with the recommendation contained therein;

**THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT**, the Board of Commissioners hereby authorizes the Chief Executive Officer or his designee to execute and issue a Letter of Intent to negotiate and execute a long term land lease for the development of the Drexel Site to a yet to be formed limited partnership, of which the managing general partner will be an affiliate of *The Thrush Drexel Development Team* in exchange for \$1. The Letter of Intent shall be valid through August 31, 2001, with two (2) one-year options, subject to annual Board of Commissioners approval beginning on August 31, 2001.

**THAT**, the Board of Commissioners hereby authorizes the Chief Executive Officer or his designee to take all actions necessary to support the tax credit application of the *Thrush Drexel Development Team* in accordance with the Master Plan approved by the Steering Committee of the Drexel site.

**(Item 7)**

**RESOLUTION 2001-CHA-52**

**WHEREAS**, the Board of Commissioners have reviewed the Board Letter dated April 17, 2001 requesting an extension of the Consulting Services Contract between the Chicago Metropolitan Housing Development Corporation ("CMHDC") and the Chicago Housing Authority and approval of CMHDC's calendar year 2001 Budget" in an amount not-to exceed \$357,727 effective May 1, 2001;

**THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT**, the Board of Commissioners authorizes the Chief Executive Officer or his designee to extend the contract between the Chicago Metropolitan Housing Development Corporation and the Chicago Housing Authority for planning, financial, development and management services through December 31, 2001 in an amount not to exceed \$357,727 (\$232,727 carryover from fiscal year 2000 and an additional \$125,000.00 for 2001).

The Omnibus Motion to adopt said resolutions was seconded by Commissioner Gates and the voting was as follows:

Ayes:

Sharon Gist Gilliam  
Hallie Amey  
Michael Darcy  
Leticia Peralta Davis  
Rahm Emanuel  
Earnest Gates  
Dr. Mildred Harris  
Sandra Young

Nays:

None

There being no questions or discussion, Chairperson Gist Gilliam thereupon declared said motion carried and said resolutions adopted.

Commissioner Young, Chairperson of the Tenant Services Committee then introduced an Omnibus Motion for the adoption of Items A1 and A2 recommended for approval at the April 11<sup>th</sup> Tenant Services Committee meeting.

**(Item A1)**

In January 2001, the Authority received formal notification of the Community TransNet Grant award. The purpose of the Community TransNet Grant is to provide safe, secure, and reliable transportation to employed and job-seeking low-income persons making suburban job opportunities more accessible to them. The acceptance of this grant is also required for the further extension of the Jitney One Contract.

**RESOLUTION NO. 2001-CHA-53**

**WHEREAS**, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated April 2, 2001 entitled "Authorization to accept a grant from and negotiate and enter into a Grant Agreement for the Community TransNet Grant with the Chicago Department of Human Services and extend by modification the Jitney One Contract to provide services under the Grant".

**THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT**, the Board of Commissioners authorizes the Chief Executive Officer or his designee to accept a grant from and negotiate and enter into a grant agreement for the Community TransNet Grant with the Chicago Department of Human Services in the amount of \$200,000.00 and to extend by modification Jitney One's Contact for the time period until Community TransNet Grant funds are exhausted, and in the event that RTA Grant funds are awarded, until December 31, 2001.

**(Item A2)**

The CHA seeks to engage Quadel as the independent contractor to manage and oversee the functions of its Occupancy Department. Quadel has over 25 years of successful experience in providing public housing authorities with direct management of all aspects of public housing and Section 8 Programs, training and technical assistance. In Phase I, Quadel will review and assess the needs of the Occupancy Department and prepare and recommend an Improvement Plan for implementation as part of Phase II. The CHA will retain responsibility for management and control of the Occupancy Department during Phase I. Once the needs have been assessed and recommendations have been made to the CHA's satisfaction, the CHA will negotiate and enter into a second agreement with Quadel to begin Phase II, whereby Quadel will assume responsibility for the day-to-day management of the Occupancy department as an independent contractor to the CHA. The resolution for Item A2 grants authorization to enter into a consulting and management agreement with Quadel.

**RESOLUTION NO. 2001-CHA-54**

**WHEREAS**, the Board of Commissioners has reviewed Board Letter dated, April 11, 2001 entitled, "Authorization to enter into a Consulting and Management Agreement with Quadel Consulting Corporation for the administration of the Occupancy Department";

**THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT**, the Board of Commissioners hereby authorizes the Chief Executive Officer or his designee to negotiate and enter into a Consulting Agreement with Quadel Consulting Corporation (Quadel) as Phase I to assess and propose an Improvement Plan for the management and administration of the Occupancy Department, for a three-month period from May 1, 2001 through July 31, 2001, for a total amount not-to-exceed \$150,000.00, subject to HUD's approval

**THAT**, the Board of Commissioners hereby authorizes the Chief Executive Officer or his designee to negotiate and enter into a Management Agreement with Quadel to privatize the management and administration functions of the Occupancy Department as Phase II (Privatization - Transitional Period) in which Quadel will assume full responsibility for the management and administration of the Occupancy Department pending CHA's approval of Quadel's Assessment Report and Improvement Plan, for an eight-month period from August 1, 2001 through March 31, 2002 for a total amount not-to-exceed \$521,850.00, subject to HUD's approval.

The Omnibus Motion to adopt resolutions for Item A1 and A2 was seconded by Commissioner Darcy and the voting was as follows:

Ayes:	Sharon Gist Gilliam Hallie Amey Michael Darcy Leticia Peralta Davis Rahm Emanuel Earnest Gates Dr. Mildred Harris Sandra Young
Nays:	None

There being no questions or discussion, the Chairperson thereupon declared said motion carried and said resolutions adopted. The report of the Tenant Service Committee was also accepted in total.

Commissioner Gates, Chairperson of the Operations & Facilities Committee, presented the following report. Per Commissioner Gates, the Committee met on Wednesday, April 11, 2001 at 2:00 p.m. at the 626 Corporate Office to consider award of contract for Authority-wide professional environmental services. This item, however, was deferred for consideration to the next scheduled Committee meeting in May. A motion to accept the Operations & Facilities Committee Report was then unanimously approved by the Board members.

Commissioner Davis, Chairperson of the Finance & Audit Committee, presented the following report. Per Commissioner Davis, the Committee met on Wednesday, April 11, 2001 at 3:00 p.m. at the 626 Corporate Office. Staff presented the Committee with the monthly Grants & Foundation and Treasury & Cash Budget Reports. A Grant Administration Quarterly Report and an update on bond financing was also presented to the Committee.

Commissioner Davis then introduced an Omnibus Motion for the adoption of Items C1 through C5 recommended for approval by the Finance & Audit Committee.

#### **(Item C1)**

The FY2001 Comprehensive Budget Amendment encompasses expense modifications that have occurred based on the decrease of \$895,909 due to closure of the Prairie Courts development, decrease of \$385,020 in Other Grant Programs due to the inability to obtain grant opportunities for planned activities and increase in personnel costs of \$398,884 due to the addition of positions necessary to meet the administrative needs of the Authority. This amendment to the budget will align the budget with the current expenditure projections and accurately reflect current CHA operations. The resolution for Item C1 approves the Revised 2001 Budget for submission to HUD.

#### **RESOLUTION 2001-CHA- 55**

**WHEREAS**, the Board of Commissioners has reviewed the Board letter, entitled "Approval of the Revised 2001 Comprehensive Budget, dated March 16, 2001 and concurs with the recommendations contained therein, it is now appropriate for the Board to adopt its Revised Comprehensive Budget for the Year 2001.

#### **THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT**, the Board of Commissioners for the Chicago Housing Authority, hereby approves the attached budget amendments, "The Revised 2001 Comprehensive Budget", and finds with respect to said Budget:

1. that the proposed expenditures are necessary for the efficient and economical operation of the CHA for the purpose of serving low-income families;
2. that the financial plan is reasonable in that it indicates funding sources adequate to cover all proposed expenditures, and does not provide for use of Federal funding in excess of that payable under the provisions of the applicable Federal regulations; and
3. that all proposed rental charges and expenditures will be consistent with

provisions of law and the Annual Contributions Contract in accordance with the Moving To Work Demonstration Agreement of the CHA with the U.S. Department of Housing and Urban Development.

**THAT,** the Chief Executive Officer and Chief Financial Officer are authorized to execute and forward to the U.S. Department of Housing and Urban Development all necessary budget documents and supporting information when applicable.

**(Item C2)**

In April 2000, the Board approved a one-year contract with Siebert Branford Shank, Universal Structured and Hamilton, Rabinovitz for financial advisory services. The terms and condition of the contracts specified a one-year contract with a one-year option to extend. The resolution for Item C2 approves the contract extension with no additional contract costs.

**RESOLUTION 2001-CHA-56**

**WHEREAS**, the Board of Commissioners has reviewed the Board Letter dated March 26, 2001, entitled "Authorization to extend contracts with Siebert, Branford Shank and Co., LLC, Universal Structured Finance Group, Inc. and Hamilton, Rabinovitz & Alschuler, Inc. for Financial Advisory Services";

**THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT,** the Board of Commissioners authorizes the Chief Executive Officer or his designee to extend the contracts with each of the three entities: (1) Siebert, Branford Shank and Co., LLC, (2) Universal Structured Finance Group, Inc. and (3) Hamilton, Rabinovitz & Alschuler, Inc. for the period April 13, 2001 through April 13, 2002.

**(Item C3)**

The resolution for Item C3 authorizes the pre-qualification of bond trustees since the Authority anticipates issuing bonds and seeking other financing methods to complete the redevelopment plan. As bond trustee, the recommended institutions will maintain accurate records of anticipated bond proceeds and payments required by the respective bond indentures. Additionally, the bond trustee will invest all available monies in accordance with bond resolution requirements, select bonds to be redeemed, notify bondholders of redemption, complete all required transfer of funds and provide other services as required.

**RESOLTUION 2001-CHA-57**

**WHEREAS**, the Board of Commissioners of the Chicago Housing Authority has reviewed the memorandum dated March 28, 2001 entitled "Approval of pre-qualification of Bond Trustees"

**THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT,** the Board of Commissioners approves the pre-qualification, for a period of two years, of the following firms to provide trustee services as designated below:

<b>Firm</b>	<b>Address</b>	<b>Contact Person</b>
LaSalle Bank NA	135 South LaSalle Street Chicago, IL 60603	Philip A. Lewis
The Bank of New York	2 North LaSalle Street Chicago, IL 60602	Marty S. Dean

**(Item C4)**

The resolution for Item C4 authorizes the execution of Amendment No. 113 to the Annual Contributions Contract. The purpose of this Amendment is to transfer the following four (4) Projects IL06P002122, 130, 141, and 176 from the development stage on ACC C-1150 with The Habitat Company, the Receiver, to operations and management on ACC C-1014 with the Authority. These projects have been completed and are to become part of CHA's inventory of units.

**RESOLUTION 2001-CHA-58**

**Amendment No. 113 for Project No. IL06P002122, 130, 141, and 176.**

**WHEREAS**, the Chicago Housing Authority (therein called the “Local Authority”), and the United States of America, (herein the “Government”), as of the 13<sup>th</sup> day of June, 1972, entered into a certain Annual Contributions Contract to assist in the development of certain low-rent housing, identified therein as Project No. IL002001 through 11, 13 through 27:A, B, C, 28 through 37:A, B, 38 through 41, 42:A, B, C, D, E, F, G and H, 43, 44:A, B, C, D, 45:A, B, 46 through 64, 66 through 74, 76, 78 through 85, 90, 91, 93, 94, IL06P002095, 96, 102, 103, 105, 110, 111, 112, 115, 116, 118 through 122, 124 through 131, 133, 134, 136, 139, 141, 145, through 147, 149, 151, 156 and 157, 162, 163, (MROP), 164 through 173, 176 through 178, 180, 182, 184, 194, 205 through 212.

**WHEREAS**, the Local Authority and the Government desire to modify the terms of said Annual Contributions Contract;

**THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT**, the Chicago Housing Authority shall enter into an amendatory agreement with the Government, modifying the terms of the Annual Contributions Contract, and the Chief Executive Officer, or his designee is hereby authorized and directed to execute Amendment No. 113 of the Annual Contributions Contract in quintuplicate and the Custodian and Keeper of Records is authorized and directed to attest and impress the official seal of the Chicago Housing Authority on each such counterpart. The aforesaid amendatory agreement shall be in substantially the attached form.

**(Item C5)**

The CHA released an Invitation For Bid for the supply and delivery of copy paper. In addition, staff directly solicited twenty-six (26) possible firms, including ten (10) MBE/WBE firms. The bidders were asked to submit their bids as a firm fixed price per case. Of the eleven (11) bids received, Ready Computer Source and Y's Choice were the lowest, responsive and responsible bidders. The resolution for Item C5 approves award of contract to the two stated firms.

**RESOLUTION NO. 2001-CHA-59**

**WHEREAS**, the Board of Commissioners has reviewed the Board Letter dated March 12, 2001 entitled, “Contract award for a two-year Requirements Contract for supply and delivery of copy paper to the Chicago Housing Authority from Ready Computer Source, Inc. and Y's Choice;

**THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT**, the Board of Commissioners authorizes the Chief Executive Officer or his designee to award a two-year Requirements Contract for supply and delivery of copy paper to the Chicago Housing Authority from Ready Computer Source, Inc. in an amount not-to-exceed \$197,000.00 for a two year base period and Y's Choice in an amount not to exceed \$3,000.00 for a two year base period, both contracts have a one year option to extend, subject to HUD approval.

The Omnibus Motion to adopt the resolutions for Items C1 through C5 was seconded by Commissioner Amy and the voting was as follows:

Ayes:

Sharon Gist Gilliam  
Hallie Amey  
Michael Darcy  
Leticia Peralta Davis  
Rahm Emanuel  
Earnest Gates  
Dr. Mildred Harris  
Sandra Young

Nays:

None

The Chairperson thereupon declared said motion carried and said resolutions adopted. The Finance & Audit Committee Report was also accepted in total.

There being no further business to come before the Commissioners, upon motion made, seconded and carried, the meeting was adjourned.

s/b: Sharon Gist Gilliam, Chairperson

s/b: Lee Gill  
Custodian and Keeper of Records